



## Transaction Privilege Tax Changes and News

This publication is an informational notice included with the February 2007 Transaction Privilege Tax Return.

### YUMA COUNTY CAPITAL PROJECTS TAX REPEAL

**Effective February 1, 2007:** The Yuma County Capital Projects Tax **ended on January 31, 2007**. The Capital Projects Tax was levied at .5% (or .005) for most business classifications. (The Capital Projects Tax has been applied at 10% of the 5% component of the Transaction Privilege Tax rate levied by the State of Arizona.) The total combined rate for most transactions **is now 6.7%**.

For more information, contact the department's Taxpayer Information & Assistance Section at (602) 255-2060 or (800) 843-7196, or check our web site ([www.azdor.gov](http://www.azdor.gov)).

### CITY OF SAFFORD

**Effective April 1, 2007:** On January 22nd, 2007 the Mayor and City Council of the City of Safford passed ordinance number 07-001. Ordinance 07-001 increases the **Additional Tax on Transient Lodging from 3% to 5%**. The Additional Tax on Transient Lodging shall be reported using **Code SF003**. The total City rate for transient lodging is **7.5%, 2.5%** which is reported using code **SF000** and **5%** which is reported using code **SF003**.

### 911 WIRELESS AND WIRELINE RATE REDUCTION

**Effective July 1, 2007:** The Arizona State Legislature approved a decrease to the 911 Wireless Telecommunications tax (class 036) and the 911 Wireline Telecommunications tax (class 131) pursuant to A.R.S. §42-5252. The new monthly rate will be 20¢ per activated wireless and wireline service effective July 1, 2007. For more information, check our web site ([www.azdor.gov](http://www.azdor.gov)).

### TRANSIENT LODGING MATRIX

Please note that the Arizona Department of Revenue has recently revised the matrix that is incorporated by reference into Arizona Transaction Privilege Tax Ruling TPR 06-1 regarding the taxation of charges for goods, services and activities customarily provided in the course of the business of operating a transient lodging facility. The department has made several changes to the matrix. The ruling and revised matrix can be found on the department's website at [www.azdor.gov](http://www.azdor.gov).

### YOU MAY QUALIFY FOR AN AUTOMATIC WITHHOLDING FILING EXTENSION!

How do you qualify? It's simple! Make your withholding payments on time during the quarter and pay the full amount due. You will receive an automatic 10 day extension of time to file your A1-QRT return. You can file up to the 10<sup>th</sup> day of the second month following the close of the quarter.

## NEW DEDUCTION CODES FOR THE TPT-1 FORM

The department has created several new deduction type codes for statutory exemptions or deductions that were added by the Legislature during 2006. These new deduction codes are as follows:

- 559: Motion Picture Production Company (qualified by Dept of Commerce)
- 560: Prime Contracting – Development or Impact Fees paid to State/Local Govt
- 561: Job Printing – Actual Postage or Freight Expenses invoiced by Printer
- 562: Restaurant – Food Sales to School District or Charter School
- 563: Liquefied Natural Gas used to Fuel Compressor Equipment

The listing of deduction codes on Page 2 of Form TPT-1 will be revised to reflect these new codes. Due to legibility concerns and space restrictions, not all of the available deduction codes will be listed on Form TPT-1. Therefore, the department will be publishing a more comprehensive listing and description of all deduction codes on the department's website in the near future.

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## **ELECTRONIC FILERS NOW HAVE THE SAME DUE DATES AS PAPER FILERS!**

You can now file and pay TPT tax electronically with the same received date as paper filers. Instead of being due by the 25<sup>th</sup> of the month, the return and payment is due by the 2<sup>nd</sup> to last business day. With AZTaxes, you can have full confidence that your payment and return were received by the Department because you will receive a confirmation for each transaction. Plus, we offer different payment options through AZTaxes such as ACH debit and E-check.

Why stand in line? Use AZTaxes.gov. It's safe, easy & free! You can:

- File TPT and withholding tax returns
- Make current and past due TPT and withholding tax payments
- Make TPT and corporate estimated payments
- Make withholding deposits, and
- Manage your business tax accounts!

You owe it to yourself to try AZTaxes.gov! You work hard maintain your business – you don't have to work hard to maintain your taxes. Let AZTaxes.gov help you! It's safe, easy, and free!



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For Peace of Mind...*

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Income  
Tax**

**ARIZONA**  
*IRS e-file*  
*Consider it done*

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**Faster Refunds - with Direct Deposit**  
**Proof of Receipt = Peace of Mind**

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